



The Secretary of Energy
Washington, DC 20585

August 26, 2003

The Honorable John D. Dingell
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Representative Dingell:

I am writing in response to your August 20, 2003, letter in which you state the "public deserves nothing less than complete, parallel, and independent investigations both by [the Department of Energy] and NERC" into the cause of the August 14, 2003, blackout.

With all due respect, we see this differently for a number of reasons.

First, the scope of this investigation is primarily factual. It is to identify the exact cause of the power outage and the reasons it cascaded. There is only one set of facts and essentially one base of data to analyze. It would be extremely counterproductive to have two different groups attempting to identify and compile the same data necessary to determine those facts.

Second, two nations were affected by the blackout, and the United States and Canadian heads of state have concluded it would be beneficial to determine the cause together. As you know, as soon as the blackout occurred, numerous cases of international finger pointing were reported in the news media. The President and the Prime Minister believe that this behavior is counterproductive and that it is important to have a single investigation to avoid it. Having numerous investigations could undermine that goal.

Third, NERC – a not-for-profit corporation comprised of utilities, power marketers, and end users – is continuing its investigation. As was stated in the August 20 statement issued by the U.S.-Canada Task Force, NERC "and the affected Independent System Operators and utilities have agreed that their investigations will supplement and contribute to the work of the Task Force." While the expertise and analytical abilities that NERC brings to the Task Force will be invaluable, a number of Governors and others have expressed concerns about a NERC-led investigation because of its relationship to the utility and power marketing industries. In fact, I recently received a letter from Governors James McGreevey (NJ), George Pataki (NY) and John Rowland (CT) in which



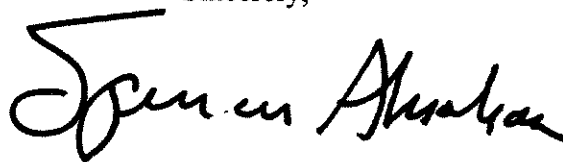
they write, "Although some have called for industry dominated groups to lead the primary investigation, we are confident that the DOE and its Canadian counterpart are the most appropriate entities to provide the objective analysis of all aspects of the outage that the citizens of New York, New Jersey, and Connecticut deserve and demand."

Finally, you have raised a concern that somehow the Bush Administration's views on energy could influence the conclusions of the investigation. The fact is that everyone capable of engaging in this type of investigation has played a role in the development of energy legislation. NERC has. Canada has and so have ISOs, utilities, power generators, and transmission providers. In short, it would be possible, therefore, to express concern about the motives of any single organization conducting its own investigation. I believe the Department of Energy, as the lead Federal Agency for the U.S. side of the Task Force, is best equipped to bring the divergent stakeholders involved in this incident into a cohesive investigative organization whose sole motivation is discovering the cause of the blackout.

As a co-chair of the Task Force, I assure you our mission is to conduct a factual inquiry and to let the facts lead us to the answers to the questions Americans are asking. We will do our very best to fulfill the President's and Prime Minister's goal of conducting a full, fair, and impartial study.

If you have any other questions, please contact me or Ms. Shannon D. Henderson, Acting Assistant Secretary for Congressional and Intergovernmental Affairs, at (202) 586-5450.

Sincerely,

A handwritten signature in black ink, appearing to read "Spencer Abraham". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Spencer Abraham